

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6596

BILL NUMBER: HB 1133

NOTE PREPARED: Dec 28, 2005

BILL AMENDED:

SUBJECT: Restrictions on Minors' Driver's Licenses.

FIRST AUTHOR: Rep. Smith J

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill changes the age at which an individual may receive an operator's license or a motorcycle license to 16 years and 180 days under certain circumstances. (Current law provides that these individuals may receive a license at the age of 16 years and 30 days.)

The bill also provides that an individual may not operate a motor vehicle in which there are passengers other than a guardian, stepparent, or relative of the individual until the individual is 17 years of age. The bill adds a cross-reference to existing language concerning probationary drivers.

Effective Date: July 1, 2006.

Explanation of State Expenditures:

Explanation of State Revenues: This bill increases the age at which individuals become eligible for an operator's license or a motorcycle operator's license by 5 months. The increase in eligibility age would tend to shift revenues by five months for this age group, resulting in a one-year reduction in revenue of \$178,500 in FY 2007.

Background Information: The fees for a four-year operator's license and a four-year motorcycle operator's license are both \$14. Annually, approximately 36,000 individuals, or about 3,000 monthly, obtain their operator's license when they are 16 years of age. Assuming that 85% of these 16-year-olds would otherwise obtain their operator's license shortly after becoming 16 years and 30 days, the five-month increase in eligibility age would tend to shift revenues by five months for this age group, resulting in a one-year reduction in revenue of \$178,500 in FY 2007.

The four-year motorcycle operator's license is also \$14, but the age distribution data for this license is insufficient to allow an estimate. The revenue from the motorcycle operator's license has the same distribution as for the operator's license.

The distribution of the revenue loss is provided in the following table.

Fund	Fee Level	Revenue Reduction
Total Fee	\$14.00	\$178,000
MVHA	\$4.00	\$51,000
Crossroads 2000	\$2.00	\$25,500
Anti-terrorism Fund	\$1.25	\$15,938
Motor Vehicle Technology Fund	\$0.50	\$6,375
State License Branch Fund	\$6.25	\$79,688

The Motor Vehicle Highway Account (MVHA) is used to support the operations of the Bureau of Motor Vehicles (BMV), the State Police, and the Department of Transportation. It is also used for construction, reconstruction, maintenance, and related highway work for cities, towns, and counties.

The Crossroads 2000 Fund is used for highway bonding projects.

The Motor Vehicle Technology Fund is used by the BMV for the purchase of new technology.

The Anti-terrorism Fund is used by the Integrated Public Safety Commission for the construction of 800mhz towers.

The state License Branch Fund supports the operation of license branches throughout the state.

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: Bureau of Motor Vehicles; State Police; Department of Transportation; Integrated Public Safety Commission; Bureau of Motor Vehicles Commission.

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources:

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